

VIRTUAL PRODUCT DISTRIBUTION SYSTEM AND METHOD**ABSTRACT OF THE DISCLOSURE**

5 A virtual product distribution system and method supports on-line sales from a shopping site where customers place orders for the purchase of products. An independent distributor, who is local to the customer and maintains an inventory of the retailer's products, is informed of the order when it is placed. The local distributor receives instructions from the retailer on the contents of the order and location of delivery, so the distributor may provide the customer with as many products from the order as are in the local distributor's inventory. 10 The customer receives a receipt code from the retailer. When the local distributor delivers the products to the ordering customer, the customer provides the local distributor with the receipt code, which the local distributor returns to the retailer as proof of delivery. The retailer then compensates the local distributor for the delivery of products.